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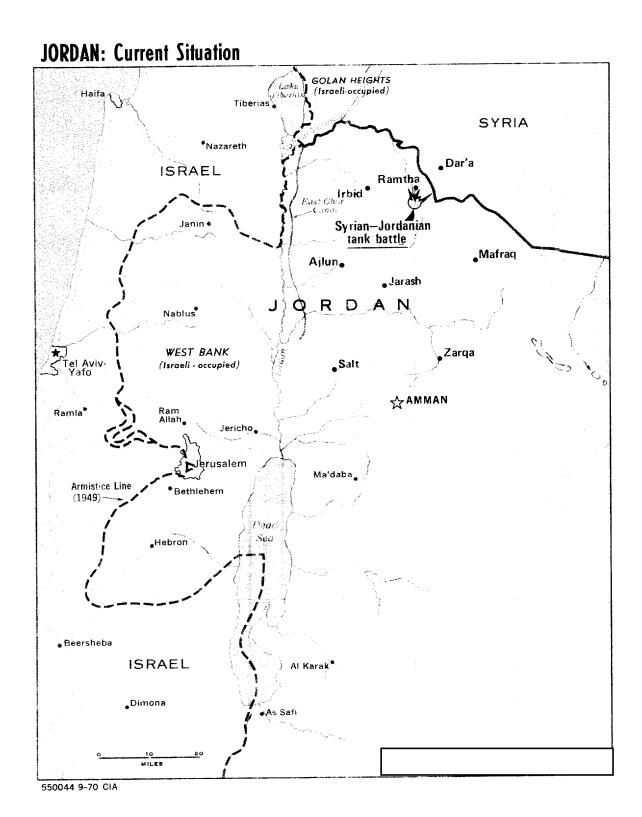
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JORDAN: Syrian intervention in the fighting may have dangerously escalated the situation.

Field Marshal Majali said that a Syrian armored brigade crossed the Jordanian border at Ramtha early Sunday. He said Jordanian armor pushed the brigade back across the border after knocking out some 30 Syrian tanks. Jordan promptly complained to the Arab League; Syrian head of state Atasi has denied the action, however, calling the battle "fictitious." Some 15 hours after the initial attack south, Syrian forces made a second push toward Irbid. Fighting

forces made a second push toward Irbid. Fighting was still going on there as of last night.

The Jordanians have apparently used Hunter aircraft in the fighting. According to press reports, some of the Syrian tank crews are wearing the uniforms of the Palestine Liberation Army, the regular force of the Palestine Liberation Organization

The Iraqis, meanwhile, have so far shown no disposition to get involved in the fighting.

One Iraqi brigade has been deployed west of Mafraq as a defensive measure, probably against the Syrians.

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Much of Amman, meanwhile, seems to be under army control. The curfew has been lifted in some parts of the city, and people are being seen on the streets. The army is using tanks against snipers, however, and heavy fighting continues in the area of several refugee camps. A cease-fire arranged through Egyptian mediation halted the fighting in Amman briefly Saturday, but fell apart almost at once.

The Egyptians are apparently continuing their efforts to bring calm to Jordan. They have told US officials that they contacted Syrian President Atasi and informed him that Egypt did not agree with Syrian intervention; the Syrians, however, merely denied that they had intervened. In addition, the Libyans have proposed the creation of a joint Libyan-Algerian buffer force to prevent future clashes between the army and the commandos. Jordan has requested an emergency meeting of the Arab League council at the foreign minister level, hopefully to convene on Tuesday night. The League's Secretariat has passed the request to the Arab foreign ministers.

There has as yet been no word on the where-abouts or condition of the hostages. Negotiations for their release continue; according to Red Cross representatives in Beirut, the Popular Front for the Liberation of Palestine (PFLP) wants a formal US or four-power guarantee that Israel will release a certain number of fedayeen it now holds. The representatives believe that the release of the hostages could quickly follow such a guarantee, along with agreements between the PFLP and Israel on the prisoners to be released.

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CAMBODIA: Communist forces are continuing to frustrate efforts by the government to resume its multibattalion offensive northward to Kompong Thom.

The Cambodian Army task force, which has been stalled for more than a week on Route 6 between Skoun and the Communist-held village of Tang Kouk, had planned to renew its northward drive on 19 September. The main column of the task force received several mortar attacks on 18 September, however, and the Communists followed up these harassing actions with a limited ground attack during the pre-dawn hours of the 19th. This action occurred about 13 miles north of Skoun and cost the government one killed and 20 wounded. The enemy reportedly lost 20 killed. The column received at least two additional mortar attacks later on the 19th, and enemy pressure has apparently continued throughout the weekend.

If the task force, which has now swelled to 16 battalions, is able to break through Communist resistance in this area, it will probably be in for even heavier pressure as it approaches its first major objective--Tang Kouk.

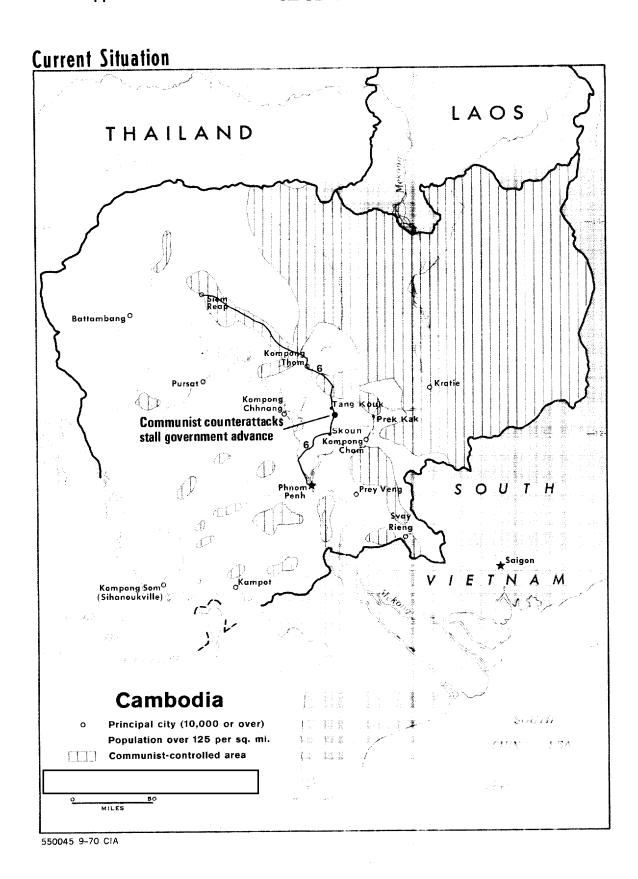
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SOUTH VIETNAM: Peace advocates are again moving to challenge the government.

A prominent southern member of the opposition in the Lower House of the National Assembly, Ngo Cong Duc, has called for a provisional government to organize elections in an effort to get a peace settlement. Duc is editor of the widely read newspaper Tin Sang, and he is personally respected by many of his more moderate Assembly colleagues who disagree with his extreme positions. Accordingly, his proposals, which he offered as he departed for Europe, are being widely publicized and are likely to trouble the government.

In addition, a delegation of the militant An Quang Buddhists has been sent to a peace conference to be held in Kyoto, Japan

So far, the Saigon government has maintained a hard line against independent peace proposals, and it has generally succeeded in discouraging would-be peace proponents, such as retiring Senator Don, from appealing to the widespread war weariness that exists in South Vietnam. The success of the An Quang - backed slate in the recent Senate elections, however, may have encouraged both Duc and the An Quang to test the government's firmness again.

In the first official reaction to Duc's proposal, a government television commentator said its advocates "have unmasked themselves as Communist agents." Some moderate politicians have also condemned Duc's proposal as beneficial only to the Communists. If the government takes harsh measures toward Duc, new frictions could arise between the regime and the Assembly.

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Meanwhile, President Thieu continues to give evidence of his concern that peace sentiment may undermine the war effort. In an apparent effort to help head off more demands for an early peace, Thieu promised at a Navy Day ceremony in Saigon that peace can be won in two or three years, even if the Communists refuse to negotiate a settlement.

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INTERNATIONAL AVIATION: The Arab Air Transport Federation is continuing its attempt to thwart international community action to deal with the hijacking crisis.

The federation--composed of the generally state-owned airline companies of all Arab League nations except Morocco--met in special session Wednesday plan of action to counter any decision to impose an air services boycott on a nation harboring hijackers. The plan could entail the seizure of the local assets of foreign airlines supporting a sanctions effort as well as refusal of alternative routes through Arab territory to them. The federation's communiqué emphasized the international community's failure to apply sanctions following the Israeli raid on Beirut's airport and referred to "Zionist" propaganda aimed at influencing aviation organizations to boycott Arab airports and airlines.

The strong US presentation at Friday's special meeting of the International Civil Aviation Organization (ICAO) Council apparently did not win many converts to the US approach. A number of Western nations continue to express reservations over the possibility of rapid, concerted action in the form of a multilateral boycott, whether based on an ICAO Council resolution or a convention to be drafted by the ICAO legal committee. Belgium, Italy, and Australia have noted the adverse effect the loss of air routes to and through the Arab lands would have on the economic prospects of Sabena, Alitalia, and Oantas.

Canada appears to have more Western support for its initiative, which was also offered at the Friday council session. Ottawa would have ICAO member states amend their bilateral air agreements to require severe penalties for aerial pirates, a time-consuming process that would diminish considerably the likelihood of a multilateral boycott. The council resumes its deliberations on 29 September.

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CZECHOSLOVAKIA - WEST GERMANY: Prague has underscored its interest in early political negotiations with Bonn by publicly asserting that official talks are scheduled to begin in October.

The main party daily Rude Pravo cited unnamed sources in Bonn to support the claim and indicated that the West German Government had completed necessary preparations. Although West German sources in Prague have said that no official contacts have yet been established, there are signs that either Prague or Bonn intends to take the initiative in the near future on the issue of opening formal talks.

According to Rude Pravo, the negotiations should proceed smoothly because there are no territorial problems between the two countries and because the West German Government has already indicated that it was willing to nullify the 1938 Munich Agreement under which Hitler carved up Czechoslovakia. The paper did not mention that this West German offer was conditional, but did caution that Egon Franke, Bonn's minister for all-German affairs, had publicly warned that there were numerous practical and legal problems to be resolved prior to such nullification.

The US Embassy in Prague has noted that until recently the East Germans had succeeded in blocking a Czechoslovak settlement with West Germany. That this roadblock has now been overcome may be implicit in Rude Pravo's confident statement about the course of Prague's prospective negotiations and its prediction that the "greatest difficulties" should be expected in normalizing relations between West Germany and East Germany. In effect, Prague has now jettisoned East Germany as a silent negotiating partner and has left Pankow to its own devices. In fact, Rude Pravo seems to have recommended that East Germany look to the recent Soviet - West German nonaggression pact for guidance concerning relations between the two German states.

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Ultimately, any Prague-Bonn negotiations could lead to the establishment of diplomatic relations, but this is not an immediate Czechoslovak goal. The trade missions of the two governments, which have semiconsular status, are enough for the cautious Husak regime at present. Even if the talks begin next month as Prague claims, they probably will be lengthy and are unlikely to make significant headway before Poland has concluded its accord with West Germany, probably in November.

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INDIA: Mrs. Gandhi's winning strategy in the Kerala elections on 17 September strengthens her party for other possible early electoral tests and her own position within the ruling Congress Party.

Final returns in the Kerala poll give the ruling Congress Party 32 of the 134 seats in the state legislature. Before the resignation of the last coalition government in Kerala in June 1970, the ruling Congress Party had held only six seats. In addition to her own party's striking success, Mrs. Gandhi's electoral allies--including the pro-Moscow Communist Party of India (CPI)--won enough seats so that a coalition government with a slim majority can be created.

In the fragmented politics of Kerala, the ruling Congress Party and its allies were opposed by two other electoral coalitions: one on the left dominated by the militant Communist Party of India/Marxist (CPM), and another on the right, which included the organization Congress Party—the faction of the once united Congress Party that split with Mrs. Gandhi over party politics in 1969. The CPM lost seats in the election, and the right-wing coalition also fared badly.

The results of the election in Kerala could encourage Mrs. Gandhi to examine the possibility of calling early elections in West Bengal, a state that has been under direct rule from New Delhi since last March and one where political forces somewhat similar to those in Kerala are at work. Presumably, some form of electoral agreement with the CPI and other left-of-center parties--as in Kerala--would be attempted. It seems considerably less likely that Mrs. Gandhi, on the basis of the Kerala results alone, would move toward calling early national elections, which are not scheduled until 1972.

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The effect of the Kerala poll could have repercussions not only in other states but also in the national legislature. The victory of the ruling Congress Party is of such magnitude as possibly to stimulate defections from other parties—particularly the organization Congress Party—to Mrs. Gandhi's banner. The prime minister, mean—while, having successfully gambled on her electoral alliance in Kerala against the advice of the other major figures in the party, appears to have further strengthened her already firm grip on the ruling Congress Party.

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PERU: A US mining company plans to abandon its undeveloped copper concession, and other companies may follow suit.

American Smelting and Refining Company (ASARCO) has informed Peru that it is ceasing work on the \$250-million Michiquillay copper project because of the difficulty of meeting development deadlines. These deadlines require submission of operations schedules by 30 September and financing guarantees by 31 December. ASARCO has already spent about ten years and \$7 million exploring and developing the Michiquillay deposit.

The US-owned firm of Anaconda, which has spent almost \$7 million on its \$70-million Cerro Verde copper concession, also has indicated that the "point may be near where no further investment is justified." Another US firm, Southern Peru Copper Company, is concerned about meeting the deadlines for its \$150-million Quellaveco project.

The government is disturbed by ASARCO's decision, because it will have great difficulty developing the property by itself. ASARCO's decision and the recent refusal of European firms to invest in a joint mining venture in Peru could cause the government to reconsider its mining policy.

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The Soviets have offered last-IAEA-USSR: minute support to a compromise on the issue of permanent seats for Italy and West Germany on the board of governors of the International Atomic Energy Agency (IAEA), which is to be voted on at this week's general conference of IAEA members. Soviet support for the compromise -- the continuous membership on the board of Germany and Italy if their fellow West European nations periodically so elect -- is a change from Moscow's previously adamant opposition to permanent membership of these two Euratom countries. Italy and West Germany, however, are unlikely to settle for such a proposition. The Soviets may judge that they lack the third of the votes needed to block unqualified permanent membership of the two countries. They have indicated that if the US accepts their compromise offer, greater accord by the superpowers on a number of sensitive IAEA problems might be attained.

* * * *

NATO-GREECE: Secretary General Brosio's delicate scenario for ending the impasse over the report recommending Alliance measures to strengthen Greek forces was followed to the letter by the Defense Planning Committee on Friday. Denmark and Norway dissociated themselves from the report-by footnote -- and Greece made a pro forma rebuttal that the NATO forum should not be used to interfere in the domestic affairs of member countries. Brosio then ruled that the report had been adopted and stressed the importance of respecting the confidential nature of both the report and the adoption proceedings. The two Scandinavian parliaments, however, will probably soon press their governments very hard for details on the resolution of the issue.

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BOLIVIA: Scheduled protests over the government's recent deportation of five leftist clergymen could provoke further violence. Demonstrations in the capital and other cities last week led to the death of three people, including two students, and further protests are reportedly scheduled today. Religious groups have strongly denounced the deportations, and some orders are threatening to close churches if the government does not rescind the expulsions. President Ovando has thus far taken a hard line, characterizing the deported priests as "conspirators" and warning that the government will not be intimidated by either the right or the left.

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